



TRADE POLICY REVIEW

REPORT BY

UNITED ARAB EMIRATES

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by the United Arab Emirates is attached.

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1 ECONOMIC DEVELOPMENT

1.1. The United Arab Emirates is characterized by a stable economic, political and investor-friendly environment, and has sustained economic growth despite recessions in the global economy, fluctuations in oil prices, and the impact of the COVID-19 pandemic.

1.2. The country's economic priorities are geared towards achieving rapid economic recovery and restoring growth rates in accordance with a gradual and deliberate path of transformation towards a knowledge-based economy. The UAE's transition to the future will be enabled by investment into new technologies, new residency policies to attract and retain high caliber human capital, and more liberalized economic policies to enhance the competitiveness of the country's business environment.

1.3. In pursuit of achieving its national economic goals, the UAE is working to formulate and develop effective pioneering strategies and economic initiatives based on international best practices and standards and a balance between present-day economic realities and the outlook for future prospects, whether at the State level or at regional and global levels.

1.4. The UAE continues to strive towards achieving its long-term vision, that is, to become one of the best countries in the world by 2071 as measured by several indexes. This vision is known as the "UAE Centennial 2071", which includes four main pillars: a future-focused government; excellent education offerings; a diversified knowledge economy; and a more cohesive society. To achieve this vision, long-term innovative initiatives and projects have been strategized and implemented. These strategic plans, also known as the "Projects of the 50", define the road map that government entities must implement to achieve the UAE Centennial 2071.

1.5. The UAE's current initiatives build upon previous long-term plans and strategies. In 2021, for example, the UAE concluded the successful implementation of the "National Agenda 2021", which aimed to place the UAE among the top 10 countries in the world based on national indicators across different areas such as the economy, education, and technology, among others. This national plan was implemented from 2017 to 2021. The UAE's efforts resulted in an improved standing across many economic indicators. The UAE was successful in increasing the value of foreign direct investment to the UAE in 2020 to USD 19.9 billion, reflecting a growth of 11.1%.

2 MACROECONOMIC GROWTH

2.1. As the primary regional hub for trade, logistics and tourism, the UAE's economy was, like other countries, affected by the repercussions of the pandemic. However, the Central Bank UAE projected real GDP growth to reach 2.4% in 2021, with non-oil GDP growth projected to increase by 3.8%. In 2022, Central Bank UAE forecasts a full recovery, with overall real GDP increasing by 3.8%, while the non-oil real GDP rising by 3.9%.

2.2. The UAE's GDP at constant price in 2019 was recorded at USD 411,601 million when compared to USD 398,022 million in 2018. The UAE's GDP growth rate at constant 2010 price was 3.4% in 2019 when compared to 1.2% in 2018.

2.3. The UAE's overall non-oil GDP at constant price was USD 291,836 million in 2019, compared to USD 281,268 million in 2018 with a growth rate of 3.8%.

2.4. In 2019, the overall GDP decrease at current price was at 1.2%. Over the past three years, non-oil GDP growth has surpassed the overall GDP growth, which clearly indicates the UAE's diversification of its economy away from the oil and gas sector. The oil and gas sector's contribution to GDP at current price in 2019 dropped down to 22.7% from 26.0% in 2018.

2.5. The Ministry of Energy and Infrastructure has announced that fuel prices across the UAE were deregulated as of August 1, 2015, thereby adopting a new policy linked to global prices. The Ministry of Energy and Infrastructure and the Ministry of Finance act as the UAE Government's representatives in a committee established to review fuel prices in the UAE on a monthly basis.

2.6. The UAE Government remains positive on the UAE's economic outlook despite the sharp fall in global oil prices as its diversification policy mitigated the impact of declining oil prices on the economy.

2.7. Foreign trade in general has been a significant driver for the UAE's economic growth. In 2020, the total value of the UAE's non-oil foreign trade reached USD 407 billion compared to USD 464.3 billion in 2019 (a 12% decrease). The slowdown in the global economy has also resulted in limited growth in foreign trade. The total value of the UAE's non-oil exports in 2020 reached USD 72.3 billion, growing by 10% compared to 2019. The total value of the UAE's imports during the same period reached USD 224 billion (a 14% decrease). The UAE's top 10 trading partners in 2020 were the People's Republic of China, the Kingdom of Saudi Arabia; India; the United States; Iraq; Switzerland; the Sultanate of Oman; Italy; Japan; and Hong Kong, China.

2.8. During the first 10 months of 2021, the UAE has witnessed a strong recovery in its foreign trade sector, which grew by 27% compared to the same period in 2020.

2.9. The following sectors contributed to the UAE's GDP at constant price in 2020:

- Mining and Quarrying (includes crude oil and natural gas): 29.1%;
- Wholesale retail trade and repairing services: 12%;
- Real estate and business services: 10.9%;
- Manufacturing and Industry: 8.8%;
- Transport, storage and communication: 8.4%;
- Construction: 8.3%;
- Electricity, gas and water: 3.0%;
- Social and personal services: 2.1%;
- Accommodation and food service activities: 1.8%; and
- Agriculture, livestock and fishing: 0.8%.

2.10. In 2020, the UAE's inward foreign direct investment stock was USD 150.9 billion and the outward stock for the same period was USD 203.7 billion. There has been a noticeable growth of inward investment when compared to USD 131,011 billion recorded in 2019 (reflecting a 15.2 % growth). On the other hand, the outward growth for the same period was 10.2%. The value of inward foreign direct investment into the UAE increased by USD 2.01 billion in 2020, with a growth rate of 11.24%. As a result, in 2020 the UAE advanced nine ranks to become 15th globally for attracting foreign direct investment according to the UNCTAD World Investment Report issued in June 2021.

2.11. The UAE continues to be a major driver for foreign direct investment within the global economy. Some noteworthy statistics reflect that the UAE ranked first in foreign direct investment inflows to West Asia in 2020, as it accounted for 54.4% of the total inflows into the region, amounting to USD 36.547 billion. The UAE also ranked first in foreign direct investment inflows to the Middle East and North Africa region in 2020, accounting for 40.2% of the total inflows into the region, which amounted to USD 49.4 billion. Finally but not least, the UAE ranked first in the inflow of foreign direct investment from the Arab Gulf countries in 2020, as it accounted for 49.1% of the total inflows to the region, amounting to USD 40.46 billion.

2.12. The sectors strategically targeted for inward foreign direct investment in the UAE include financial services, technology, industry, healthcare, pharmaceutical and life-sciences, retail and e-commerce, medical tourism, space and space tourism, supply chains and logistics, agritech, entertainment, broadcasting and games, education and its associated technologies, renewable energy, information and communications technology, hydro-technology, smart mobility and artificial intelligence.

2.13. The UAE views free trade as an important and necessary means for increased competitiveness and productivity. It is the UAE's belief, that protectionism, manifested by high tariff barriers and

technical barriers to trade, will only result in a stagnant and innovation-lacking private sector. It is in this spirit that the UAE has executed free trade agreements with several Arab Gulf Countries, GAFTA, EFTA and Singapore, and continues to pursue negotiations under the GCC umbrella to establish free trade agreements with global partners.

3 TRANSFORMING THE UAE ECONOMY

3.1 The UAE Trend Towards the Future Economy

3.1. In support of its objectives to transition from a hydrocarbon-based economy to a knowledge-based economy, the UAE has launched a number of strategic initiatives to achieve sustainable economic growth based on applied sciences and advanced technologies and enhance its position as a global hub for innovation, artificial intelligence and entrepreneurship.

3.2. Notable achievements have been made over the past five years, as embodied in the growth of the UAE's future-focused sectors. For instance, the information and communications technology sector witnessed a cumulative growth rate of 32% from 2014 to 2020, representing an average annual growth rate of 5%. Similarly, the education and professional sector, and the science and technology sector posted a cumulative growth of 75% and 12% respectively, achieving an average annual growth rate of 10% and 2% respectively. The manufacturing industries sector grew at an average annual rate of 3.4% over the same period. These sectors combined represented nearly 23% of the UAE's actual GDP in 2020.

3.2 The UAE Trend Towards a Digital Economy

3.3. The UAE Leadership has long recognized the contribution of the digital economy to the economy as a whole and its role in supporting the competitiveness of the UAE in all economic sectors. This recognition has manifested by the adoption of national strategic plans to accelerate the UAE's development of its digital economy.

3.4. The UAE, through its Fourth Industrial Revolution and National Cybersecurity Strategy, aims to harness and create a safe infrastructure for cutting-edge technologies, such as blockchain technology in financial services and transactions, to enable its digital transformation. These efforts compliment a series of earlier initiatives from 2001, where specialized free zones such as Dubai Media City, Dubai Internet City, and Dubai Knowledge City (among others) were launched to build and develop eco-systems conducive towards digital transformation and an overall digital economy.

3.5. The UAE's digital economy contribution to the GDP at present day is approximately 4.3% and the UAE aims to double this percentage by 2031.

3.6. The UAE's digital transformation infrastructure and measures developed in the UAE prior to 2020 significantly assisted in addressing challenges borne from the COVID-19 pandemic. The use of highly advanced systems, artificial intelligence, geospatial technologies, vaccine management systems and technologies and a digitally agile Government provided the UAE with a competitive edge in ensuring business continuity among the public and private sectors.

3.7. As a result of the UAE's efforts to increase its digital competitiveness, the country ranked 10th in the World Digital Competitiveness Ranking 2021 issued by the IMD World Competitiveness Center (WCC) of the International Institute for Management Development (IMD). The UAE was ranked 1st globally in four indexes, one of them being "Cybersecurity".

3.3 The UAE Trend Towards a Circular Economy

3.8. The UAE is one of the leading countries in the world when it comes to adopting concepts of the circular economy. Following the signing of various cooperation and international agreements in 2019 and in July 2020, the UAE Council on Circular Economy was formed to oversee the country's circular economy initiatives, indicating the UAE's commitment to environmental protection, sustainability and private sector collaboration to further enable the adoption of clean consumption and production practices.

3.9. In January 2021, the UAE Cabinet approved the "UAE Circular Economy Policy", which is a comprehensive framework for identifying circular economy priorities, achieving sustainable governance and ensuring the efficient use of natural resources through the adoption of sustainable consumption and production methods.

3.10. The policy focuses on enabling the circular economy in four key sectors: (1) sustainable manufacturing; (2) green infrastructure; (3) sustainable transportation; and (4) sustainable food production and consumption. Currently, the UAE Government is engaged with strategic domestic and international partners to implement the policy.

3.11. In line with the above, the UAE is the first signatory of the World Economic Forum Scale360 initiative aimed at fast-tracking the adoption of fourth industrial revolution technologies for the circular economy. Through its Scale360 national chapter, the UAE is implementing projects and programs that deliver circular innovation, ensure the conservation of natural resources, and reduce pollution to tackle climate change.

3.4 The UAE Trend Towards a Green Economy

3.12. In efforts to achieve the Sustainable Development Goals under the UN 2030 Agenda, the UAE has made a commitment to ensuring a sustainable future for generations through adopting green policies and initiatives. For example, the UAE adopted the green economy methodology as a path of sustainable development through the "Emirates Sustainable Development Strategy".

3.13. Through the strategy, the UAE aims to become a global hub and successful green economy model by creating a center for the export and re-export of green products and technologies and maintaining a sustainable environment to support long-term economic growth while protecting the environment.

3.14. The strategy includes a range of programs and policies that promote the production and use of clean energy, encourage investment in the green economy, help to integrate the environment in urban planning, maintain biodiversity and the ecological balance, and conserve the use of natural resources.

4 ECONOMIC DIVERSIFICATION

4.1 General Approach to Economic Diversification

4.1. In preparation for a post-oil future, the UAE has transformed itself into a global model for economic diversification. This is evidenced by the advanced positions the UAE has taken in global trade as witnessed by highly regarded international organizations. At the top of this list is the World Trade Organization, which ranked the UAE 20th globally in its 2021 report among a list of countries exporting and importing goods, 3rd globally in re-exports and 1st in the Arab Gulf.

4.2. Today, the UAE's non-oil sectors contribute more than 70% to the country's GDP. During the first half of 2021, the total value of the UAE's non-oil exports rose to USD 46.30 billion, achieving a 44% growth compared to the same period in 2020, while the value of imports during the first half of 2021 exceeded USD 131 billion, achieving a 24% growth compared to the same period in 2020.

4.2 Diversifying the UAE Economy through Pioneering Space Endeavours

4.3. As the UAE transitions towards economic diversification, the country is developing its space sector at local, regional and global levels through various initiatives and public-private partnerships. The UAE's space sector is expected to play an important role in the UAE's future economy and serve as a leading contributor to the development of the global space economy.

4.4. In 2016, the "UAE's National Space Policy" was launched, outlining priorities and goals to be achieved within the space domain. Additionally, in 2019, the National Space Strategy 2030 was launched to set the general framework of the space industry in the UAE for the next decade.

4.5. In October 2021, the UAE Space Agency announced the launch of its "Space Economic Zones Program" to facilitate public-private partnerships in the UAE's space sector and build an attractive

and integrated business environment to meet local and global demands. The program will stimulate innovation and adopt space technology in commercial space ecosystems supporting the establishment of startups and increasing their commercialization potential.

4.6. The Emirates Mars Mission "EMM" (Hope Probe), launched successfully on 20 July 2020, (1:58 AM GMT+4) onboard a Japanese rocket and arrived successfully in orbit around Mars on 9 February 2021. The Emirates Mars Mission (EMM) is the UAE's first mission to Mars.

4.7. On 22 March 2021, the UAE's first nanometric environmental satellite, DMSat-1, was successfully launched and deployed. It was developed by the Dubai Municipality in collaboration with the Mohammed Bin Rashed Space Centre (MBRSC). The satellite monitors air quality and greenhouse gas (GHG) emissions. It also detects the source of air pollutants and concentration of dust and its impact on public health in the UAE. The information provided by the satellite will help in determining the measures needed to combat climate change and develop long-term environmental plans.

4.8. In October 2021, the UAE hosted the 72nd International Astronautical Congress (IAC), the world's premier space event held in the Middle East for the first time ever. More than 6,500 space enthusiasts and participants from over 110 countries attended the five-day event filled with meetings, collaborations, announcements, updates and more.

4.9. In order to achieve its future economy based on advanced technologies, the UAE launched the Emirates Research and Development Council in October 2021. The Council aims to enhance UAE investments in advanced technologies and strengthen the performance and effectiveness of the UAE's science and technology sector.

4.3 Export Development Strategies and Programs

4.10. In 2020, the UAE Cabinet approved the country's export development policy to increase UAE exports and open new international markets. The policy is a long-term vision for the UAE's foreign trade ambitions, enabling the national economy to benefit from opportunities of the economic recovery expected in the current and future years.

4.11. In addition, the UAE launched the National Strategy for Industry and Advanced Technology Operation 300bn to further promote economic diversification and increase the industry's contribution to the UAE economy from AED 133 billion (USD 36.2 billion) to AED 300 billion (USD 81.69 billion) by 2031.

4.12. The UAE also recently introduced the "10x10 Program" that aims to develop and increase the UAE's annual exports by 10% in 10 key global markets of strategic importance to the UAE.

5 FISCAL POLICY

5.1. The Ministry of Finance continues to adopt legislative reforms and has enacted 27 federal laws from 2006 to 2020 to regulate the financial sector in the following areas:

- revenues and public expenditures;
- the federal budget;
- economic substance regulations;
- bankruptcy and insolvency;
- taxation legislations;
- anti-money laundering (AML) and combatting financial terrorism (CFT);
- guaranteeing rights to movable property;
- financial leasing;

- credit information;
- netting; and
- organization of financial institutions and activities.

5.2. The federal budget for the financial year 2020 was approved with a value of AED 61.35 billion (USD 16.71 billion) (the largest in UAE history and without a deficit), where it increased by 50% between 2011 and 2020.

5.3. Between 2006 and 2020, the Ministry of Finance concluded (234) bilateral agreements with Arab and foreign states for the avoidance of double taxation and the reciprocal protection and promotion of investments.

5.4. The UAE Government successfully established a tax system and created a primary source for revenues in line with international best practices and this system contributes in providing sustainable revenues allowing the UAE to maintain its economic stature and the quality of the business and investment environment within it.

5.5. The UAE formed the Public Debt Management Office following the enactment of Federal Decree Law No. (9) of 2018 on Public Debt. The UAE's efforts and subsequent financial policies have led to the UAE being ranked highly in its credit rating by well-established international institutions. In November 2020, the UAE received a rating of "AA-", an "Outlook Stable" from Fitch Rating, and in December 2020 received the rating of an Aa2 in creditworthiness, with a stable outlook for the national economy by Moody's.

6 MONETARY POLICY

6.1. As per the UAE Central Bank's main objective to maintain stability in the UAE dirham against the US dollar, monetary policy in the UAE is largely aligned to that prevailing in the US. Specifically, this means that the UAE's main policy rate, the Base Rate, is aligned to the US Federal Reserve's Interest on Reserve Balances rate. To that end, prevailing monetary policy in the UAE has been highly accommodative since the onset of the COVID-19 pandemic, with low interest rates providing much needed support for recovery.

6.2. In January 2020, the UAE Central Bank announced its new Dirham Monetary Framework and has since been in the process of implementation. The framework does not affect the foreign exchange rate in any way, but rather, involves consolidation and modernization of liquidity management within the UAE markets, and seeks to encourage capital market development and improve transparency. This has seen the announcement of a number of recent initiatives, including the development of the "Overnight Deposit Facility". Remunerated at the Central Bank's Base Rate, the deposit facility provides a transparent anchor for short-term interest rates in the domestic market. Similarly, the implementation of Monetary Bills auctions in early 2021 has formed an important first step in developing a domestic currency denominated risk-free yield curve.

6.3. Based on available indicators up to the end of Q2 2021, banks operating in the UAE remain well capitalized with adequate capital buffers and average capital adequacy ratio, largely exceeding the UAE Central Bank minimum thresholds. The financial system remains liquid, reflected by the well performing liquidity ratios including the share of credit to stable resources, in addition to banks' assets at the Central Bank that may be tapped into for additional liquidity (if so required). Further, indicators of financial soundness continue to bode well for the ability of the banks to support growth of credit while promoting and maintaining financial stability. All encompassing, the overall outlook of the banking system remains positive.

7 TRADE POLICY DEVELOPMENTS

7.1 Bilateral Agreements

7.1.1 Investment Treaties and Double Taxation Agreements

7.1. The UAE maintains large networks of bilateral investment treaties (BITs) and Double Taxation Agreements (DTAs), which it continues to expand to encourage strategic global partnerships. In total, the UAE has signed 101 BITs, of which 70 are in force. Currently, the UAE has 135 DTAs, of which 104 are in force. The UAE is also a signatory to the Multilateral Convention to Implement Tax Treaty-Related Measures to Prevent Base Erosion and Profit Shifting since June 2018.

7.2 Regional Agreements

7.3 Gulf Cooperation Council (GCC)

7.2. The UAE became a founding member of the Gulf Cooperation Council (GCC) on 25 May 1981, alongside Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

7.3. The Unified Economic Agreement, signed on 11 November 1981 under the GCC led to the elimination of customs duties and other restrictive regulations of commerce on all trade between the members of the GCC in the products originating in the member states, and work was proceeding to further harmonize trade and commercial policies.

7.4. In December 2001, the GCC Economic Agreement was signed to provide for a GCC Customs Union, and the harmonization of economic, financial, and monetary policies, with a view to achieve more economic integration through the establishment of the Gulf Common Market (GCM).

7.5. The GCC Customs Union was established and has been operative since the beginning of January 2003. GCC member states have been applying the GCC common tariff ever since. The rates for more than 89.1% of the common tariff lines were 5%, while 10.4% of the tariff lines had a common tariff of 0%. Moreover, 0.2% of the tariff lines had a rate of 50%, while the remaining 0.3% of the tariff lines had a rate of 100%. The Common Customs Law of the GCC entered into force on 11 January 2015.

7.6. In implementation of the Supreme Council's resolution issued by the GCC in its 28th session (on 4 December 2007), the Gulf Common Market (GCM) was launched with effect from 1 January 2008 and was a landmark development in the advancement of the Gulf Economic integration. The aim of the GCM is to create a single market through which provides the citizens of the GCC countries with greater access to opportunities available in the Gulf economy, enabling greater foreign investment, maximizing the benefits of economies of scale and efficiency in production, achieving the optimum utilization of available resources, strengthening the negotiating power of GCC countries, and enhancing its position among international actors and economic blocks.

7.7. On the liberalization of services within the GCC, the Supreme Council liberalized trade in services for roughly 100 subsectors of services, including professional services, most business services, telecommunication services, banking and other financial services, distribution services, education services, environmental services, health and related social services and tourism services. The GCC members agreed to progressively liberalize other services sectors and subsectors.

7.3.1 Free Trade Agreements

7.8. In 2005, the GCC commenced negotiations to establish free trade agreements with a number of countries including China, India, Pakistan, Japan, Korea, New Zealand, Australia, Turkey, EFTA States, Singapore, EU and the Southern Common Market (MERCOSUR). The scope of these negotiations covered market access for goods and services, and in some cases, government procurement and included chapters on intellectual property, investment and competition.

7.9. Free trade agreements with GCC-EFTA and GCC-Singapore were concluded and entered into force in 2015. The GCC has ambitious plans to negotiate free trade agreements with other countries.

7.4 Greater Arab Free Trade Area (GAFTA)

7.10. The UAE is a member of the Greater Arab Free Trade Area (GAFTA), which was signed on 19 February 1997, and entered into force on 1 January 1998. This agreement has eliminated all tariffs among its members from 1 January 2005. The agreement covers trade in goods only; however, members have been engaged for the past few years in negotiations to create an agreement in trade in services.

7.11. During the review period, GAFTA members continued to engage in the "Beirut Round of Negotiations on the Liberalization of Trade in Services among Arab States", which launched in 2004 and ended in February 2017. The UAE along with nine other GAFTA countries agreed on a schedule of commitments for trade in services.

7.12. This agreement aims to create a legal framework for the gradual liberalization of trade in services between Arab countries and to create an enabling environment for the development and facilitation of trade in services among them. The UAE signed the agreement on 29 January 2019 and ratified it on 10 March 2020.

8 SECTORAL DEVELOPMENTS

8.1. UAE's GDP at current price was at USD 417.2 billion in 2019, USD 422.2 billion in 2018, compared to USD 385.6 billion in 2017. Over the past 20 years, the UAE's GDP grew significantly, as the current size of its GDP is four times its size from 2001. Current GDP grew positively and steadily almost every year over the past 15 years and is around 1.5 times its size in 2010. As per World Bank figures released in 2019, the UAE is the 30th largest economy globally, representing 0.52% of total global GDP. Whereas, the UAE's GDP at constant price in 2019 stood at USD 411.6 billion when compared to USD 398 billion in 2018.

8.2. The UAE's GDP at constant price grew by 3.4% in 2019 when compared 1.2% in 2018 and 2.4% in 2017. The UAE's real GDP recorded a cumulative annual growth rate (CAGR) of 3.6% in the last 10 years and the UAE's real non-oil GDP recorded a cumulative annual growth rate (CAGR) of 3.9% in last 10 years ago. Despite low oil prices globally, the UAE is well positioned to withstand the lower oil price environment thanks to its comparatively diverse economy and strong forex reserves.

8.3. Oil and gas contributes less than 30% of the UAE's total real GDP. The manufacturing sector is playing an increasingly vital role in driving UAE economic expansion and diversification, accounting for 9% of its GDP. The main pillars of UAE industry are petrochemicals, aluminum and steel but the automotive sector, chemicals, cement, electrical machinery, power equipment and food processing continued to gain momentum in the past few years, as partnerships with foreign enterprises and joint ventures allowed industrial and manufacturing companies to benefit from the most up-to-date technologies. There has also been strong growth in biotechnology, pharmaceuticals, telecommunications equipment, aerospace and healthcare equipment. Tourism remains a key driver of economic growth in the UAE and sits at the heart of all seven emirates' diversification plans. Over the past decade, the industry has contributed to and benefited from the rise of other high-growth sectors in the economy, such as retail and aviation.

8.4. Driven mainly by rising trade and tourism activity, the UAE has also taken great strides toward becoming a regional hub for transport and logistics, and for the global travel industry. The country is currently constructing and expanding several port and airport facilities, as well as roads and a nationwide rail network.

8.5. The UAE real estate and construction sector is showing strong signs of recovery after the property slowdown caused by the global financial crisis in 2009. According to 2019 statistics, the real estate and construction sector accounts for around 14.2% of the UAE's GDP. The country's economic and political stability has seen it emerge as a safe haven for international investors during regional turmoil in recent years, a trend that has played an important part in keeping the real estate sector on track.

8.6. In 2019, the financial and insurance activities sector was a key growing sector that expanded by 3% when compared to 2018 and the banking and finance industry has maintained its position as

one of the leading contributors to the economy. The UAE's financial sector is one of the most developed and is the largest in MENA region. The financial sector comprises of retail and corporate banks, insurance companies, investment banks, asset management companies, foreign exchange companies, wealth management companies and financial advisory firms. The financial and insurance sector contributes to more than USD 32.6 billion (at constant prices 2010) in 2019 when compared to USD 32.4 billion in 2018. The financial sector registered a growth of 0.4% at constant price and its sectorial contribution to the UAE's GDP was around 8% in 2019. In 2010, the financial sector contribution to the UAE's GDP was slightly less than 6.9% and it has increased steadily to more than 8.0% in 2019.

8.7. As of end-December 2020, there were 21 local banks, financial institutions, and 37 foreign banks operating in the UAE, which include 10 Islamic banks. There are a further 122 representative offices of foreign banks in the UAE, including 26 finance companies, 25 investment companies and 141 foreign exchange companies.

9 UAE PARTICIPATION IN INTERNATIONAL ORGANIZATIONS AND AGREEMENTS

9.1 Paris Agreement On Climate Change

9.1. In line with the 2015 Paris Agreement on climate change, numerous countries recently enhanced its national commitments to cut carbon emissions, including the UAE.

9.2. In this context, the Ministry of Energy and Infrastructure announced the Hydrogen Leadership Roadmap, a comprehensive national blueprint to support domestic, low-carbon industries, contribute to the country's net-zero ambition and establish the country as a competitive exporter of hydrogen. The roadmap's ambitions underscore the UAE Leadership's enduring legacy of progressive solutions to global climate challenges, as recently demonstrated by the announcement of UAE's Net Zero by 2050 Strategic Initiative (the "Net Zero Initiative"). The UAE became the first country in the Middle East and North Africa region to announce a net zero strategic initiative by 2050 in line with the Paris Agreement.

9.3. The UAE is preparing to host UN Climate Change Conference (COP28) in 2023 to showcase its achievements on climate change and encourage greater collaboration on climate action among countries and international actors.

9.2 Madrid Protocol for the International Registration of Trademarks

9.4. The UAE recently announced its accession to the Madrid Protocol for the International Trademarks Registration, which is a system under the World Intellectual Property Organization that will expand trademark protection in more than 124 member states using a single application. The UAE's accession to the Madrid Protocol comes as an important step following the UAE's accession in early 2021 to the Budapest Treaty and the Strasbourg Agreement with the aim of developing an environment conducive to innovation, research and development and consolidating it as engines for building the future economy.

9.5. The UAE's efforts in this direction are continuing within the framework of its leadership's vision and the plans and Projects of the 50, most notably the recent update of a new industrial property law (relating to patents, designs and utility models).

9.6. The UAE introduced new Intellectual Property Decree-laws on copyright and trademarks in 2021. The laws aim to enhance the country's position as a leading regional center in all intellectual property applications and stimulate its contribution to attracting qualitative foreign investment, improving performance and increasing productivity in all sectors.

9.3 Group of Twenty (G20)

9.7. In 2020, the UAE was invited as a guest nation to participate in the G20 Riyadh Summit, the timing of which coincided with the outbreak of the COVID-19 pandemic. As part of its participation in G20, the UAE was able to help shape the world's response to the pandemic by sharing its experiences and best practices. Key highlights of UAE's participation in the G20 and in the wake of COVID-19 may be summarized as follows:

- The UAE released economic stimulus and relief packages amounting to over USD 77 billion;
- The UAE Government incentivized investment in key areas such as critical medical supplies and equipment, and sustainable agriculture production as well as facilitated the entry of essential agricultural products with minimal requirements procedures;
- The UAE imposed a policy requiring pre-approval of COVID-19-related medical supplies exports to ensure their availability in the local market. The UAE also ensured the flow of vital medical supplies, critical agricultural products, and others goods and services across borders by expanding its mapping exercise of alternative markets to avoid shortages and diversify sources of essential goods; and
- The UAE also participated in the Joint Ministerial Statement by a group of countries affirming their commitment to ensuring supply chain connectivity amidst the COVID-19 pandemic.

9.8. In 2021, the UAE was invited as a guest nation to participate in G20 hosted by the Indonesian Presidency.

9.4 UAE Contribution to Enhance the Multilateral Trading System

9.9. The UAE participates actively and constructively in multilateral discussions through the WTO. The UAE is a strong supporter of the multilateral trading system and works with member countries to ensure a more efficient, open, free, inclusive and relevant trading system and improve the negotiation function of the institution.

9.10. The UAE was among the first WTO member countries to support a multilateral response to the COVID-19 pandemic by facilitating access to urgent and essential medical goods. The UAE, conscious of the critical importance of a fair and predictable trading environment, has not taken any trade restrictive and protectionist measures provided for in times of emergency.

9.11. The UAE also participated in many of the Joint Statement Initiatives, including:

- A ministerial statement on COVID-19 and the multilateral trading system;
- A joint statement on responding to the COVID-19 pandemic with open and predictable trade in Agricultural and food products;
- A statement on highlighting the importance of SMEs in the time of COVID-19;
- A joint statement on E-commerce;
- A joint ministerial statement on investment facilitation for development; and
- A joint statement on agriculture export prohibition or restrictions relating to the world food programs.

9.12. While the UAE believes there is a need to modernize and strengthen the global trading system and reform key pillars of the WTO (e.g. negotiations, dispute settlement and the review of national trade policy), it considers the principle of Special and Differential Treatment to be an essential element of the rules-based trading system, as its main objective is to accommodate the concerns and development needs of a number of WTO member countries. The UAE also views areas of technical assistance and capacity-building as equally important.

10 INVESTMENT IN THE UAE

10.1 UAE Investment Environment

10.1. The UAE enjoys great economic stability and a promising investment environment, due to its strategic location, strong financial reserves, large sovereign wealth funds, strong and continuous government spending, in addition to providing energy at competitive prices.

10.2. The UAE's Free Zones play a pivotal role in attracting investments and creating an enabling environment for diverse areas within the national economy, such as industry, trade, tourism, and services.

10.3. In the UAE, foreign investors can establish a business choosing from more than 40 designated Free Zones, each operated by different rules and regulations but all allowing for 100% foreign ownership. The different Free Zones cater to companies from the technology, media, finance, and import/export industries. Additionally, investors in these Free Zones are exempted from import duty. It is worth mentioning that some Free Zones allow investors to establish offshore companies, which act as holding companies or special purpose vehicles but may not perform any activity in the UAE (free zone or mainland).

10.4. As part of the "Projects of the 50" initiative, the UAE is restructuring the country's entry and long-term residency system to enhance the UAE's position as an ideal destination for work, investment, entrepreneurship, education and life.

10.5. Among the package of new regulations is the introduction of the Green Visa, which expands the self-residency status to investors, entrepreneurs, highly skilled individuals, top students and graduates, and the federal freelancers visa for self-employed workers based in the UAE and overseas in specialized fields such as artificial intelligence, blockchain and digital currencies.

10.6. The new regulations also include expanding the Golden Visa eligibility to include skilled workers in science, engineering, health, education, business management and technology, as well as highly skilled and specialized residents, investors, entrepreneurs, and high achieving students and graduates.

10.2 UAE Investment Framework

10.7. The UAE issued Decree Law No. 32 of 2021, which updates and replaces the Commercial Companies Law of 2015 (and its subsequent amendments from 2018 and 2020). This restatement of the law represents a significant advancement in developing the UAE's investment environment in a way that enhances the country's regional and international position as a center for investment and trade.

10.8. The new law allows for 100% foreign ownership of companies in the UAE with the exception of some activities of strategic importance to the UAE. Enabling foreigners to establish and fully own companies in the UAE will greatly increase not only the flows of foreign investments from abroad, but also by foreign residents in the country, as these amendments allow full freedom for investors to manage and operate private investments. It is also worth noting that supporting regulations to the new law are expected in 2022, providing further upgrades and enhancements to the corporate environment.

10.9. The UAE recognizes that the legislative reforms as applied to investment in the UAE will add more transparency regarding due process, enhance investor confidence, simplify business practices and provide investors with the opportunity to explore expansion plans.

10.10. Foreign investors may now establish a one-person company as a private joint stock company, an option previously available only to UAE citizens. Another fundamental change within the law is the abolishment of the requirement for an UAE national agent for foreign companies and branches.

10.11. With regard to the activities of strategic importance to the UAE, the Strategic Impact Activities Committee will work with various concerned government agencies at federal and local

levels to further define those activities, if necessary, based on higher national interests and activities of sovereign nature in the UAE.

10.12. The current list of activities with a strategic impact includes seven activities, six of which may be partially held by a foreign investor in accordance with certain controls and approvals set by the regulatory authority for each activity. These activities are:

- Security and defense activities and activities of a military nature. Conducting business in under these activities is subject to the approval and regulatory controls of the Ministry of Defense or the Ministry of Interior, depending on the nature of the activity;
- Onshore (and excluding the DIFC/ADGM) activities of banks, exchange houses, finance companies, and insurance activities. Conducting business in under these activities is subject to the approval and regulation of the Central Bank of the United Arab Emirates;
- Printing of currency notes, subject to the approval and regulation of the Central Bank of the United Arab Emirates;
- Telecommunications activities, subject to the approval and regulation of the Telecommunications Regulatory Authority and the Digital Government;
- Hajj and Umrah services, subject to the approval and regulation of the General Authority for Islamic Affairs and Endowments;
- Holy Quran memorization centers, which are subject to the approval and regulation of the General Authority for Islamic Affairs and Endowments; and,
- As for the seventh activity, which relates to the field of fisheries, only UAE nationals may participate in such businesses as shareholders.

10.3 UAE Investment Strategies

10.3.1 National Agenda For Inward Foreign Direct Investment

10.13. The UAE's National Agenda for Inward Foreign Direct Investment (FDI) aims to attract foreign direct investment through programs, policies and initiatives that align with the strategic visions of the UAE, including the UAE Vision 2071. The strategy prioritizes investment in research, development and innovation across promising sectors in the UAE. Key sectors include financial technology, industry, health care, retail and e-commerce, medical and hospital tourism, space and space tourism, supply chains agricultural technology, entertainment, broadcasting and games, logistics, education, renewable energy, ICT sector, water technology, genetics and smart mobility.

10.3.2 National Agenda for Outward Foreign Direct Investment

10.14. As for outward investments from the UAE, the UAE is working to establish and develop commercial and investment partnerships to facilitate access to promising economic opportunities between investors in the UAE and abroad, especially in areas that serve the UAE's future economy, such as food security, advanced technology, and digital, and align with the UAE's economic diversification policies.

11 REFORM AND MODERNIZATION OF ECONOMIC LEGISLATION

11.1. The UAE is overhauling its legal and regulatory economic environment to align with global best practices in transparency, investment protection, and fair competition. For the UAE, 2021 marked the beginning of widespread regulatory and legislative reforms, aimed towards harmonizing global market practices and fostering a culture conducive to foreign investors.

11.2. Notably, recent amendments were made to more than 40 laws with an aim to further enhance the UAE's economic environment, investment and commercial infrastructures, and to support the security and stability of the society, keeping pace with the country's future growth aspirations.

12 PROGRESS AND FUTURE DIRECTION OF THE UAE

12.1 Aviation

12.1. Aviation plays a significant role in the UAE economy. The UAE's air transport sector currently supports nearly 800,000 jobs and contributes USD 47.4 billion to the UAE economy, accounting for 13.3% of the UAE's GDP. Based on current trends, the UAE's air transport market is expected to grow by 170% over the next 20 years and complete an additional 10 million passenger journeys by 2037. If these estimates prove accurate, this increased demand can potentially contribute approximately USD 128 billion to the UAE's future GDP and support nearly 1.4 million jobs.

12.2 Future Energy

12.2. The UAE has made significant progress over the years in meeting the challenges of energy and climate change through the implementation of national plans as well as the strategic plans of each emirate. The UAE has built the necessary enablers that correspond to the sustainable development goals (SDGs) set out by the United Nations for 2030. In addition, the UAE has committed more than AED 3.1 billion (USD 840 million) to support the development of renewable energy in more than 30 countries.

12.2.1 Enabling Sustainability through the National Energy Strategy

12.3. The UAE National Energy Strategy, launched in 2017, aims to diversify the UAE's energy sources through the continued development of renewables, nuclear and fossil fuels to ensure a balance between the country's economic needs and environmental goals. As part of this strategy, the UAE will invest AED 600 billion (USD 163 billion) by 2050.

12.4. Through the strategy, the UAE aims to raise the efficiency of individual and the institutional consumption by 40% and increase the contribution of clean energy in the total energy mix produced in the country to 50% by 2050.

12.5. Today, the UAE is role model in its pursuit of peaceful nuclear energy. Nuclear energy plays a key role in the National Energy Strategy, supporting the diversification of the energy mix while reducing the grid GHG emissions. The UAE currently has two reactors online at Barakah Nuclear Plant and has plans to operationalize two additional reactors by 2024.

12.6. With the highest portfolio of renewables in the region, the UAE is a front-runner in the clean energy transition within the GCC. In 2019, the UAE's total clean energy capacity was 1,875 MW, which increased to 4,500 MW in 2020.

12.2.2 Hydrogen Leadership Roadmap

12.7. The UAE launched the "Hydrogen Leadership Roadmap" in 2021, targeting a 25% global market share of low carbon hydrogen by 2030. For the UAE, hydrogen is expected to be a key enabler of the "UAE Net Zero by 2050 Strategic Initiative". The unveiling of the Hydrogen Leadership Roadmap came during the UN Climate Conference (COP26) in Glasgow.

12.8. The UAE became the first country in the Middle East and North Africa region to announce a net zero strategic initiative by 2050 in line with the 2015 Paris Agreement. The Net Zero Initiative focuses creating a vibrant ecosystem transiting towards a new model of sustainable economic growth that leverages research, development, innovation, and clean technology in many different key sectors including energy, economy, industry, infrastructure, transport, waste, agriculture, and the environment.

12.2.3 Renewable Energy

12.9. The UAE has committed to increase the contribution of clean energy in its total energy mix from 25% to 50% by 2050, with the highest proportion coming from renewable sources (44%). The UAE also aims to improve efficiency by 40% compared to the business-as-usual (BAU) scenario by 2050.

12.10. National Water and Energy Demand Side Management (DSM): The UAE's DSM program launched in 2021 followed by a detailed plan to target a 40% reduction in energy and a 50% reduction in water over the BAU scenario by 2050.

12.11. The first UAE solar project was launched in 2009, Masdar 10 MW Photovoltaic (PV) plant and today the UAE is developing the world's largest solar power plant in Abu Dhabi, the 2 GW Al-Dhafra Photovoltaic (PV) Plant.

12.12. The sustainable clean energy technology portfolio includes solar, waste to energy, nuclear, hydrogen, hydropower, and biofuel/biogas, and continues to explore wind and geothermal energies.

12.3 Technology

12.13. Today, the technology sector is one of the most prominent sectors that the UAE focuses on, in order to promote economic diversification, and the UAE continues to provide facilities to increase investments in the technology sector.

12.14. The UAE is the first country in the world to appoint a Minister of State for Artificial Intelligence and is home to the world's first graduate-level university specialized in artificial intelligence.

12.3.1 5G Services

12.15. The Telecommunications and Digital Government Regulatory Authority (TDRA) launched its 5G initiative in 2016 through a high level steering committee with three technical committees for spectrum, network and verticals. TDRA also published the UAE's 5G roadmap in 2016. As a result, the UAE conducted some of the earliest trials with this band of communication technology and demonstrated 5G capabilities early on in the UAE.

12.16. The UAE also became the first country in the MENA region to launch a commercial 5G network providing fixed wireless service in May 2018. The network rollout continued with adequate spectrum allocated for 5G coverage. In May 2019, the UAE began offering commercial 5G services to all users as 5G handsets were rolled out into the UAE.

12.17. The UAE continues to be one of the most '5G-ready' countries in the world, along with Japan, South Korea, China and the USA. It is widely acknowledged that 5G technology will be a key platform for innovation and the future of digital transformation.

12.18. Through the "UAE Strategy for 5G and Beyond", the country aims to increase its 5G network deployment and coverage, drive greater collaboration in the UAE to accelerate the use of 5G, and support a diverse ecosystem where 5G can thrive.

12.19. TDRA issued an exceptional spectrum fees waiver for 5G frequencies of 3 GHz and above for more than three years, diverting the telecom investments into an ambitious 5G network rollout. The UAE telecom operators have so far invested more than AED 2 billion (USD 544.520 million) and rolled out more than 5000 sites for 5G, covering more than 90% of the UAE population (outdoors).

12.3.2 Artificial Intelligence

12.20. The UAE Strategy for Artificial Intelligence (AI) aims to fast-track AI adoption in the UAE and enable the country to become a leading hub for AI as well as an exporter of AI technology by 2031.

12.21. The UAE Cabinet recently formed the UAE Council for Artificial Intelligence tasked with proposing policies to create an AI-friendly ecosystem in the UAE, encouraging advanced research in the sector and promoting collaboration between the public and private sectors.

12.22. Most recently, the UAE launched the Mohamed Bin Zayed University of Artificial Intelligence, a graduate-level institution offering MSc and PhD programs in AI.

12.23. The UAE's healthcare sector is also capitalizing on AI technologies. The Ministry of Health and Prevention, for example, developed and released Medopad, a smart application that continuously monitors and analyzes patient data to predict life-threatening medical conditions.

12.24. In the transportation sector, the UAE aims to leverage AI technologies to enable smart mobility, increase private sector investment in the transport sector by more 20%, and reduce pollution through green AI-applications.

12.4 Workforce

12.25. The UAE is implementing sweeping policies and regulations to strengthen its position as an ideal destination for business and investment, attract global talent and high skilled labor, and enhance labor protection systems.

12.26. The UAE launched the "Nafis Initiative" in 2021 to increase the competitiveness of Emirati human resources and empower UAE nationals to, within a span of five years, occupy jobs in new and diversified areas within the private sector. The program will help accelerate the UAE's development journey and by enabling qualified Emiratis to contribute to the increasing role that the private sector plays in advancing economic development.

12.27. The UAE enacted the Federal Decree of Law No.33 in 2021 to regulate labor relations in the private sector that will take effect on 2 February 2022. The law is the largest overhaul of UAE labor legislation with reforms supporting women's rights, penalizing harassment at the workplace, supporting equal pay opportunities and simplifying previously complex practices between the employer and employee.

12.28. The UAE launched its National Talent Strategy in 2021 to attract and retain high caliber talent to support the development of the UAE's strategic direction to push national knowledge and innovation and to develop capabilities and methods in science and technology and other highly skilled areas of discipline.

12.29. The UAE ranked 9th globally and 1st regionally in the World Competitiveness Yearbook 2021 by the International Institute for Management Development. It ranked 1st globally in the following areas: Skilled Labor, Entrepreneurship Competent Senior Managers, Need for Economic and Social Reforms, Immigration Laws and Industrial Disputes. The UAE also ranked 1st in capacity to attract talented people in the Legatum Prosperity Index 2021.

12.5 Small and Medium Enterprises

12.30. Small and Medium Enterprises (SMEs) and are an important part of the UAE economy, accounting for 98% of businesses in the UAE. According to the 2020 MENA Venture Investment Report, the UAE attracted 61% (USD 577 million) of the total inward venture funding in the MENA region, of which 42% was from international investors.

12.31. The UAE Entrepreneurship Strategy, launched in 2021, aims to empower entrepreneurs and strengthen the UAE's startup ecosystem by establishing accelerator programs, enabling access to investor networks and funding, and providing support in areas such as business set-up procedures and residency visas.

12.32. As part of these efforts, the UAE launched "The Entrepreneurship Nation", a nation-wide initiative to support UAE-based startups and SMEs with the aim of graduating 20 unicorns within the next 10 years.

12.6 Health

12.33. The UAE is prioritizing its health sector and has increased spending by more than 50%. Based on estimates, 88% of hospitals operating in the UAE are accredited according to international accreditation standards.

12.34. The UAE's health sector continues to thrive. The number of doctors and medical practitioners in the UAE increased from 12,000 in 2011 to more than 24,000 in 2020, and nurses from 27,000 to more than 55,000 in 2020.

12.35. During the pandemic, health authorities were able to conduct near 20 million examinations for a country whose population does not exceed 10 million people. Thanks to the integrated health

system, the UAE ranked first in the Arab world and 11th globally in the health system's readiness to confront the COVID-19 pandemic. The country also contributed significantly to international efforts in facilitating the effective distribution of COVID-19 vaccines.

12.7 Tourism

12.36. The UAE is a leader in the development of growth tourism and design innovation. In 2019, the tourism sector contributed AED 177.8 billion (USD 48.41 billion) to the UAE's economy and is projected to contribute AED 244.1 billion (USD 66.45 billion) by 2030. The tourism sector also supported 745,000 jobs (direct and indirect) in 2019 and this is projected to reach 988,000 by 2030.

12.37. The "Next Fifty Plan" for the tourism sector, launched in 2020, aims to increase the sector's contribution to the UAE GDP by 15% and increasing the number of hotel guests to 40 million annually as compared to 27 million guests currently.

13 GENDER BALANCE

13.1. In 2015, the UAE established the UAE's Gender Balance Council to ensure that Emirati women continue to play a leading role in the development of the UAE. The Council is charged with overseeing the implementation of best practices and processes to ensure federal institutions achieve their gender balance targets.

13.2. The UAE was ranked 18th globally and 1st regionally in the Gender Inequality Index (GII) of the United Nations Development Program's Human Development Report 2020. It has advanced eight positions from its previous rank of 26 in 2019.

13.3. The UAE ranked 1st across the Arab countries in the World Economic Forum's Global Gender Gap Report 2021. Additionally, the UAE was ranked 1st globally in four of the report's indicators: Women in Parliament, sex ratio at birth, literacy rate, and enrollment in primary education.

13.4. The Gender Balance Index, launched by the Council in 2016, is one of the UAE's national indicators and assesses the performance of government entities in enhancing gender balance. Individuals and organizations leading in this field are honored each year for the best Personality, Federal Entity and Initiative for supporting Gender Balance

13.5. As of July 2021, there are nine female ministers in the UAE Cabinet

14 RESPONDING TO COVID-19 PANDEMIC

14.1 Government Measures

14.1. In response to the COVID-19 pandemic, the UAE Central Bank announced a AED 100 billion (USD 27.23 billion) comprehensive Targeted Economic Support Scheme (TESS) in March 2020 targeting banks and financial institutions under its jurisdiction to contain the repercussions of the pandemic. The scheme was expanded to AED 256 billion (USD 69.71 billion) in April 2020, in response to the impact of the pandemic on the UAE economy. The TESS consisted of the following measures:

- AED 50 billion (USD 13.61 billion) from UAE Central Bank funds through collateralized loans at zero cost facility (ZCF) to all banks and finance companies operating in the UAE;
- AED 50 billion (USD 13.61 billion) funds freed up from banks' capital buffers;
- A cut by half of the required reserve ratio to 7% on demand deposits, freeing up about AED 61 billion (USD 16.61 billion) of liquidity for banks; and,
- AED 95 billion (USD 25.87 billion) equivalent in relief through reduced liquidity requirements for banks.

14.2. Additional TESS measures were introduced on 8 August 2020 in relation to stable funding relief, which further enhanced banks' lending capacity to support the UAE economy. Moreover, the enhanced TESS supported micro, small and medium enterprises (MSMEs) by encouraging banks to support small business with payment deferrals and access to new credit lines. The loan deferral program benefited more than 300,000 individuals, close to 10,000 SMEs, and more than 1,500 corporations in the UAE.

14.3. Furthermore, the UAE Cabinet also approved a AED 16 billion (USD 4.36 billion) economic stimulus package as part of the Federal Government's additional measures to support the national economy, ensuring businesses continuity, and mitigating the coronavirus impact.

14.4. The UAE also submitted a number of notifications and memos to the WTO, including:

- A notification submitted by the Ministry of Health and Prevention regarding the export restrictions of medical supplies and equipment;
- A notification, in June 2020, submitted by the General Civil Aviation Authority to the Technical Barriers to Trade (TBT) Committee, with the nature of the procedures taken;
- A notification submitted by the Emirates Authority for Standardization and Metrology to the Committee on Sanitary and Phytosanitary Measures (SPS Committee) regarding commodity identification codes, nomenclature, and terminologies to facilitate the import of certain food products; and,
- A notification submitted by the Emirates Authority for Standardization and Metrology regarding the crisis management policy of the Emirates National Accreditation (ENAS) services during the COVID-19 pandemic.

14.5. To streamline coordination, including with the private sector, the UAE launched an online platform to provide the business continuity and SMEs with pertinent information and resources to help respond and address to the impacts of the pandemic.

- During this period, the UAE also announced the reduction in fees across 94 of its services with a view to reducing the cost of doing business;
- At the local level, several emirates have introduced additional financial assistance measures, such as reduced or cancelled municipality fees and utility bills;
- As one of the world's major logistics hubs, the UAE ensured operations maintenance and continuity of its national carriers of freighters to keep imports, exports and international humanitarian relief supplies moving with minimal disruptions; and

14.2 Leveraging Artificial Intelligence

14.6. The UAE leveraged AI technology to enhance its response to the COVID-19 pandemic. The Ministry of Health and Prevention, for example, launched "Alhosn", its COVID-19 testing and tracing application that provides fast access to test results and contact tracing for accurate control of the virus. The AI-based tool that has proven to be a secure medium for patients' private health data.

14.7. In April 2020, the Abu Dhabi Department of Health, in collaboration with "Injazat", announced the launch of a new AI-driven application called "Remote Healthcare" to ensure that citizens and residents in the UAE have access to all the necessary information and services without physical contact. The application also remotely provides essential medical support to the elderly and people with chronic diseases, through services such as booking appointments, medical consultations, and prescriptions. This application helps connect COVID-19 patients, in self-isolation, with all vital information provided to doctors and healthcare professionals to enable them to monitor patients until they are fully recovered.

14.8. Abu Dhabi has also used AI-powered robots to spray disinfected areas as part of its sterilization program. In Dubai, the ambulance service has rolled out a self-sanitization device that allows paramedics and their families to sterilize clothing through a "sanitization corridor," which is

an AI-driven tool used to disinfect clothes of paramedics and their families. In addition, AI has helped the education sector adapt to the pandemic, benefiting both instructors and students.

15 UAE INSIGHTS

15.1 Economic Recovery

15.1. The UAE is taking concrete steps to build a stronger, more resilient economy and accelerate the global economic recovery. The UAE will continue its plans across various economic sectors to prepare for the next 50 years of growth and development.

15.2. The UAE economy is expected to grow by 4.2% in 2022, higher than the previous forecast of 3.8%, which is largely due to the UAE's economic measures implemented to support businesses responding to the impact of the COVID-19 pandemic as well as the "Projects of the 50" initiatives.

15.2 New Partnerships for Global Progress

15.3. The World Expo 2020 Dubai is the first world fair ever to be held in the Middle East, Africa and South Asia (MEASA) region and represents a significant milestone for the UAE as the country celebrates its Golden Jubilee in 2021, marking 50 years of progress and achievements.

15.4. The World Expo 2020 Dubai will provide enormous opportunities for global leaders to drive new partnerships and uncover creative solutions to some of the world's most pressing challenges, such as energy security, sustainable agriculture and food security, infectious disease and pandemics, and climate change, among others.

15.5. The UAE will host the UN Climate Change Conference (COP28) in 2023, a decision by the UNFCCC that came following the UAE's long-term climate leadership and strong record of accomplishment in hosting high-profile international events. Aptly, the UAE is home to the International Renewable Energy Agency (IRENA). The UAE remains committed to encouraging greater cooperation with partners around the globe to accelerate climate action and achieve sustainable and inclusive growth.
